

**2009 DRAFTING REQUEST**

**Bill**

Received: **12/30/2008**

Received By: **rchampag**

Wanted: **Soon**

Identical to LRB:

For: **Administration-Budget**

By/Representing: **Frederick**

This file may be shown to any legislator: **NO**

Drafter: **rchampag**

May Contact:

Addl. Drafters:

Subject: **Employ Pub - retirement**

Extra Copies:

Submit via email: **YES**

Requester's email:

Carbon copy (CC:) to:

---

**Pre Topic:**

DOA:.....Frederick, BB0317 -

---

**Topic:**

WRS Benefits for Educational Support Personnel Employees

---

**Instructions:**

See attached.

---

**Drafting History:**

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	rchampag 01/02/2009	jdye 01/06/2009		_____			S&L Retire
/1			mduchek 01/06/2009	_____	sbasford 01/06/2009		

FE Sent For:

<END>

**2009 DRAFTING REQUEST**

**Bill**

Received: **12/30/2008**

Received By: **rchampag**

Wanted: **Soon**

Identical to LRB:

For: **Administration-Budget**

By/Representing: **Frederick**

This file may be shown to any legislator: **NO**

Drafter: **rchampag**

May Contact:

Addl. Drafters:

Subject: **Employ Pub - retirement**

Extra Copies:

Submit via email: **YES**

Requester's email:

Carbon copy (CC:) to:

---

**Pre Topic:**

DOA:.....Frederick, BB0317 -

---

**Topic:**

WRS Benefits for Educational Support Personnel Employees

---

**Instructions:**

See attached.

---

**Drafting History:**

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	rchampag	1/6 jld	1/6	1/6			
				NA			

FE Sent For:

<END>

## 2009-11 Budget Bill Statutory Language Drafting Request

- Topic: Wisconsin Retirement System
- Tracking Code: BB0317
- SBO team: State Operations
- SBO analyst: Caitlin M. Frederick
  - Phone: 6-8777
  - Email: caitlin.frederick@wisconsin.gov
- Agency acronym: ETF
- Agency number: 515
- Priority (Low, Medium, High): Medium

Intent: WRS Benefits for educational support personnel employees

(Identical to LRB-1846/1 from the 2007-09 Budget Request)



State of Wisconsin  
2007 - 2008 LEGISLATURE

LRB-1846/1  
RAC:jld:jf

DOA:.....Hanle, BB0438 - WRS benefits for educational support personnel employees

FOR 2007-09 BUDGET -- NOT READY FOR INTRODUCTION

- 1     **AN ACT** ...; and **to create** 40.02 (33) (d) of the statutes; **relating to:** retirement  
2           benefits provided to educational support personnel under the Wisconsin  
3           Retirement System.

---

*Analysis by the Legislative Reference Bureau*

**RETIREMENT AND GROUP INSURANCE**

This bill increases Wisconsin Retirement System (WRS) benefits provided to an "educational support personnel employee" who is a school district employee other than a teacher, librarian, or administrator. The bill makes the following changes to the WRS:

1. Under current law, to become covered under the WRS, an individual must work at least one-third of what is considered full-time employment, as determined by DETF by rule. For all WRS participants, other than teachers, librarians, and administrators, DETF defines full-time employment to be 1,904 hours per year and one-third employment to be 600 hours per year. In contrast, for teachers, librarians, and administrators, DETF defines full-time employment to be 1,320 hours per year and one-third employment to be 440 hours per year. This bill requires that educational support personnel employees must be treated the same in terms of qualifying for coverage under the WRS as teachers, librarians, and administrators.
2. Under current law, one method to determine the initial amount of a WRS annuity is to use a retirement formula the variables of which are a participant's years

of service, formula multiplier, and final average earnings. This bill provides that the final average earnings of an educational support personnel employee are increased by 25 percent for the purpose of determining the initial amount of a WRS retirement annuity.

Because this bill relates to public employee retirement or pensions, it may be referred to the Joint Survey Committee on Retirement Systems for a report to be printed as an appendix to the bill.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

---

***The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:***

1           **SECTION 1.** 40.02 (17) (intro.) of the statutes is amended to read:

2           40.02 (17) (intro.) "Creditable service" means the creditable current and prior  
3           service, expressed in years and fractions of a year to the nearest one-hundredth, for  
4           which a participating employee receives or is considered to receive earnings under  
5           sub. (22) (e) or (em) and for which contributions have been made as required by s.  
6           40.05 (1) and (2) and creditable military service, service credited under s. 40.285 (2)  
7           (b) and service credited under s. 40.29, expressed in years and fractions of years to  
8           the nearest one-hundredth. How much service in any annual earnings period is the  
9           full-time equivalent of one year of creditable service shall be determined by rule by  
10          the department and the rules may provide for differing equivalents for different  
11          types of employment, except that the full-time equivalent of one year of creditable  
12          service for an educational support personnel employee is 1,320 hours. Except as  
13          provided under s. 40.285 (2) (e) and (f), the amount of creditable service for periods  
14          prior to January 1, 1982, shall be the amount for which the participant was eligible  
15          under the applicable laws and rules in effect prior to January 1, 1982. No more than  
16          one year of creditable service shall be granted for any annual earnings period.  
17          Creditable service is determined in the following manner for the following persons:

1           **SECTION 2.** 40.02 (33) (d) of the statutes is created to read:

2           40.02 (**33**) (d) For an educational support personnel employee, the amount  
3           calculated under par. (a) multiplied by 1.25.

4           **SECTION 3.** 40.22 (2) (a) of the statutes is amended to read:

5           40.22 (**2**) (a) Except as provided in sub. (2m), the employee is not expected to  
6           work at least one-third of what is considered full-time employment by the  
7           department, as determined by rule, or, for an educational support personnel  
8           employee, as specified under s. 40.02 (17) (intro.).

9           **SECTION 4.** 40.22 (2m) (intro.) of the statutes is amended to read:

10          40.22 (**2m**) (intro.) An employee who is not expected to work at least one-third  
11          of what is considered full-time employment by the department, as determined by  
12          rule, or, for an educational support personnel employee, as specified under s. 40.02  
13          (17) (intro.), and who is not otherwise excluded under sub. (2) from becoming a  
14          participating employee shall become a participating employee if he or she is  
15          subsequently employed by the state agency or other participating employer for either  
16          of the following periods:

17          **SECTION 5.** 40.22 (2m) (a) of the statutes is amended to read:

18          40.22 (**2m**) (a) At least one year for at least one-third of what is considered  
19          full-time employment by the department, as determined by rule, or, for an  
20          educational support personnel employee, as specified under s. 40.02 (17) (intro.).

21          **SECTION 6.** 40.22 (3) (b) of the statutes is amended to read:

22          40.22 (**3**) (b) The first day after completion of one year of employment for at  
23          least one-third of what is considered full-time employment by the department, as  
24          determined by rule, or, for an educational support personnel employee, as specified

1 under s. 40.02 (17) (intro.), if the person becomes a participating employee under sub.  
2 (2m) after the employer's effective date of participation.

3 **SECTION 9314. Initial applicability; Employee Trust Finds**

4 (1) WISCONSIN RETIREMENT SYSTEM BENEFITS FOR EDUCATIONAL SUPPORT  
5 PERSONNEL EMPLOYEES. The treatment of sections 40.02 (17) (intro.) and (33) (d) and  
6 40.22 (2) (a), (2m) (intro.) and (a), and (3) (b) of the statutes first applies to the  
7 calculation of benefits provided to participants in the Wisconsin Retirement System  
8 who are participating employees in the Wisconsin Retirement System on the  
9 effective date of this subsection.

10 (END)



LD-Nate  
State of Wisconsin  
2007 - 2008 LEGISLATURE

LRB-1848/3

RAC:jld:pg

LRB-1289/1  
RAC:jld

DOA Budget  
**2007 SENATE BILL 222**

June 29, 2007 - Introduced by Senators RISSER, LEHMAN, SCHULTZ, ERPENBACH, VINEHOUT and HANSEN, cosponsored by Representatives SHERMAN, MUSSER, BLACK, POCAN, JORGENSEN, BOYLE, BERCEAU, CULLEN, TURNER, SEIDEL, HEBL, VRUWINK, HIXSON, SHERIDAN, SCHNEIDER, TRAVIS, PARISI, BENEDICT, YOUNG, ZEPNICK, POPE-ROBERTS, BIES and SINICKI. Referred to Joint Survey Committee on Retirement Systems.

X

do not gen

- 1 AN ACT *to amend* 40.22 (2m) (a) and 40.23 (2m) (fm) of the statutes; **relating**  
2 **to:** retirement benefits provided to educational support personnel under the  
3 Wisconsin Retirement System.✓

***Analysis by the Legislative Reference Bureau***

This bill increases Wisconsin Retirement System (WRS) benefits provided to an "educational support personnel employee" who is defined under current law as any school district employee other than a teacher, librarian, or administrator. The bill makes the following changes to the WRS:

1. Under current law, to become covered under the WRS, an individual must work for a covered employer at least one-third of what is considered full-time employment, as determined by the Department of Employee Trust Funds (DET~~F~~<sup>S</sup>) by rule. For all WRS participants, other than teachers, librarians, and administrators, DET~~F~~<sup>S</sup> defines full-time employment to be 1,904 hours per year and one-third employment to be 600 hours per year. In contrast, for teachers, librarians, and administrators, DET~~F~~<sup>S</sup> defines full-time employment to be 1,320 hours per year and one-third employment to be 440 hours per year. This bill requires that educational support personnel employees and teachers, librarians, and administrators must be treated the same in terms of qualifying for coverage under the WRS, with full-time employment for educational support personnel employees set at 1,320 hours per year.

2. Under current law, for early retirement purposes under the WRS, a participant, other than a teacher, librarian, or administrator, with at least 0.75 of a

\*

GROUP Insurance  
Retirement and Group Insurance  
head



**SENATE BILL 222**

year of creditable service in any annual earnings period must be treated as having one year of creditable service for that annual earnings period. To be eligible for the treatment, the participant must have earned only a partial year of creditable service in at least five of the ten annual earnings periods immediately preceding the annual earnings period in which the participant terminated covered employment. This bill provides that, for early retirement purposes, a participant's amount of creditable service in any annual earnings period shall be treated as the amount of creditable service that a teacher, librarian, or administrator would earn for that annual earnings period. Because DETF defines full-time employment to be 1,320 hours per year for a teacher, librarian, or administrator, this bill will reduce the number of hours required for early retirement purposes for all other WRS participants, to qualify for a year of creditable service, from 1,428 hours to 1,320 hours per year.

**RETIRE** → Because this bill relates to public employee retirement or pensions, it may be referred to the Joint Survey Committee on Retirement Systems for a report to be printed as an appendix to the bill.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

*The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:*

1           **SECTION 1.** 40.22 (2m) (a) of the statutes is amended to read:

2           40.22 (2m) (a) At least one year for at least one-third of what is considered  
3           full-time employment by the department, as determined by rule, or, for an  
4           educational support personnel employee, at least one year for at least one-third of  
5           what is considered full-time employment for a teacher.

6           **SECTION 2.** 40.23 (2m) (fm) of the statutes is amended to read:

7           40.23 (2m) (fm) Notwithstanding s. 40.02 (17) (intro.), for purposes of  
8           determining creditable service under par. (f) 2., ~~participants with at least 0.75 of a~~  
9           ~~year~~ a participant's amount of creditable service in any annual earnings period shall  
10          be treated as having one year the amount of creditable service that a teacher would  
11          earn for that annual earnings period. To be eligible for the treatment provided by  
12          this paragraph, the participant must have earned only a partial year of creditable  
13          service in at least 5 of the 10 annual earnings periods immediately preceding the

**SENATE BILL 222**

1 annual earnings period in which the participant terminated covered employment,  
2 and the participant must notify the department of the applicability of this paragraph  
3 to the participant's service. The participant is not eligible for the treatment provided  
4 by this paragraph if such notification is provided by the participant later than 60  
5 days after the participant's annuity effective date. This paragraph does not apply  
6 to service credited under s. 40.02 (15) or to creditable service as a teacher. ✓ 9

**SECTION 3. Initial applicability.**

8 (1) This act first applies to the calculation of benefits provided to participants  
9 in the Wisconsin Retirement System who are participating employees in the  
10 Wisconsin Retirement System on the effective date of this subsection.

11 (END)

Insert 3-11

d-note  
↓

2009-2010 DRAFTING INSERT  
FROM THE  
LEGISLATIVE REFERENCE BUREAU

LRB-1289/1insRC

RAC:.....

3-11

**SECTION 9315.<sup>✓</sup> Initial applicability;<sup>✓</sup> Employee Trust Funds.**

(1) RETIREMENT BENEFITS FOR EDUCATIONAL SUPPORT PERSONNEL EMPLOYEES.<sup>✓</sup> The treatment of sections 40.22 (2m) (a)<sup>✓</sup> and 40.23 (2m) (fm)<sup>✓</sup> of the statutes first applies to participants in the Wisconsin Retirement System<sup>✓</sup> who are participating employees in the Wisconsin Retirement System<sup>✓</sup> on the effective date of this<sup>✓</sup> subsection.

(end ins 3-11)

**DRAFTER'S NOTE**  
**FROM THE**  
**LEGISLATIVE REFERENCE BUREAU**

date

LRB-1289/1dn

RAC:.....

jld

Caitlin Frederick:

This version of 2007 LRB-1846, which I prepared for you last session, is a revised version that is based on 2007 SB-222, a bill introduced by Senator Risser. Senator Risser's bill accomplishes the same purpose as the bill I prepared for DOA last session, but was modified at the suggestion of DETF. Is this OK?

Rick A. Champagne  
Senior Legislative Attorney  
Phone: (608) 266-9930  
E-mail: rick.champagne@legis.wisconsin.gov

**DRAFTER'S NOTE  
FROM THE  
LEGISLATIVE REFERENCE BUREAU**

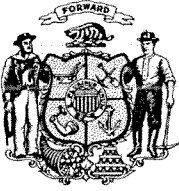
LRB-1289/1dn  
RAC:jld:md

January 6, 2009

Caitlin Frederick:

This version of 2007 LRB-1846, which I prepared for you last session, is a revised version that is based on 2007 SB-222, a bill introduced by Senator Risser. Senator Risser's bill accomplishes the same purpose as the bill I prepared for DOA last session, but was modified at the suggestion of DETF. Is this OK?

Rick A. Champagne  
Senior Legislative Attorney  
Phone: (608) 266-9930  
E-mail: rick.champagne@legis.wisconsin.gov



State of Wisconsin  
2009 - 2010 LEGISLATURE

LRB-1289/1

RAC:jld:md

DOA:.....Frederick, BB0317 - WRS Benefits for Educational Support  
Personnel Employees

FOR 2009-11 BUDGET -- NOT READY FOR INTRODUCTION

- 1     **AN ACT ...; relating to:** retirement benefits provided to educational support  
2     personnel under the Wisconsin Retirement System.

---

*Analysis by the Legislative Reference Bureau*

**RETIREMENT AND GROUP INSURANCE**

This bill increases Wisconsin Retirement System (WRS) benefits provided to an "educational support personnel employee" who is defined under current law as any school district employee other than a teacher, librarian, or administrator. The bill makes the following changes to the WRS:

1. Under current law, to become covered under the WRS, an individual must work for a covered employer at least one-third of what is considered full-time employment, as determined by DETF by rule. For all WRS participants, other than teachers, librarians, and administrators, DETF defines full-time employment to be 1,904 hours per year and one-third employment to be 600 hours per year. In contrast, for teachers, librarians, and administrators, DETF defines full-time employment to be 1,320 hours per year and one-third employment to be 440 hours per year. This bill requires that educational support personnel employees and teachers, librarians, and administrators must be treated the same in terms of qualifying for coverage under the WRS, with full-time employment for educational support personnel employees set at 1,320 hours per year.

2. Under current law, for early retirement purposes under the WRS, a participant, other than a teacher, librarian, or administrator, with at least 0.75 of a

year of creditable service in any annual earnings period must be treated as having one year of creditable service for that annual earnings period. To be eligible for the treatment, the participant must have earned only a partial year of creditable service in at least five of the ten annual earnings periods immediately preceding the annual earnings period in which the participant terminated covered employment. This bill provides that, for early retirement purposes, a participant's amount of creditable service in any annual earnings period shall be treated as the amount of creditable service that a teacher, librarian, or administrator would earn for that annual earnings period. Because DETF defines full-time employment to be 1,320 hours per year for a teacher, librarian, or administrator, this bill will reduce the number of hours required for early retirement purposes for all other WRS participants, to qualify for a year of creditable service, from 1,428 hours to 1,320 hours per year.

Because this bill relates to public employee retirement or pensions, it may be referred to the Joint Survey Committee on Retirement Systems for a report to be printed as an appendix to the bill.

For further information see the *state and local* fiscal estimate, which will be printed as an appendix to this bill.

---

***The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:***

1       **SECTION 1.** 40.22 (2m) (a) of the statutes is amended to read:

2       40.22 **(2m)** (a) At least one year for at least one-third of what is considered  
3 full-time employment by the department, as determined by rule, or, for an  
4 educational support personnel employee, at least one year for at least one-third of  
5 what is considered full-time employment for a teacher.

6       **SECTION 2.** 40.23 (2m) (fm) of the statutes is amended to read:

7       40.23 **(2m)** (fm) Notwithstanding s. 40.02 (17) (intro.), for purposes of  
8 determining creditable service under par. (f) 2., ~~participants with at least 0.75 of a~~  
9 ~~year~~ a participant's amount of creditable service in any annual earnings period shall  
10 be treated as having one year the amount of creditable service that a teacher would  
11 earn for that annual earnings period. To be eligible for the treatment provided by  
12 this paragraph, the participant must have earned only a partial year of creditable  
13 service in at least 5 of the 10 annual earnings periods immediately preceding the

1 annual earnings period in which the participant terminated covered employment,  
2 and the participant must notify the department of the applicability of this paragraph  
3 to the participant's service. The participant is not eligible for the treatment provided  
4 by this paragraph if such notification is provided by the participant later than 60  
5 days after the participant's annuity effective date. This paragraph does not apply  
6 to service credited under s. 40.02 (15) or to creditable service as a teacher.

7 **SECTION 9315. Initial applicability; Employee Trust Funds.**

8 (1) RETIREMENT BENEFITS FOR EDUCATIONAL SUPPORT PERSONNEL EMPLOYEES. The  
9 treatment of sections 40.22 (2m) (a) and 40.23 (2m) (fm) of the statutes first applies  
10 to participants in the Wisconsin Retirement System who are participating employees  
11 in the Wisconsin Retirement System on the effective date of this subsection.

12 (END)